Production in TAFCO

1387. SHRI GHUFRAN AZAM: Will the PRIME MINISTER be pleased to state:

(a) whether the TAFCO, Kanpur has not been making moves to procure Defence orders for boots and shoes;

(b) whether it is fact that Government have not investigated into the same and have allowed the company to carry on without electricity for months together to detriment of both workers and capital investment;

(c) whether rate of production in the factory has gone down to a extremely low level;

(d) whether the Company has been suffering for lack of resources; and

(e) if so, the facts and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) TAFCO has been making efforts to procure Defence Orders for Boots, etc.

(b) Power supply to TAFCO was disconnected by the Kanpur Electricity Supply Administration (KESA) due to non-payment of bills.

(c) to (e) TAFCO is a sick unit has been referred to the Board for Industrial and Financial Reconstruction (BIFR) and after considering all aspects, the Board has issued a Show Cause Notice in January, 1994 for winding up of the unit. The rate of production in the Company has gone down due to various reasons such as inadequate Defence orders, lack of internal resources etc. Government has been providing Non-Plan funds to the Company to meet its requirements for salary and wages to a certain extent.

Restructuring of BICP

1388. PROF. VIJAY KUMAR MALHOTRA:

SHRI O. P. KOHLI:

Will the PRIME MINISTER be pleaesd to state:

(a) whether Government had a proposal to restructure Bureau of Industrial Costs and Prices into a Tariff Commission;

(b) if so, whether any decision has been taken in this regard.

(c) if not, the reasons for the delay;

(d) when was the proposal mooted initially;

(e) whether a Panel was required to be formed to compare domestic costs and prices with ones prevailing abroad for protecting the local industry and improving its efficency; and

(f) if so, the progress made therein?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) to (f) Economic initiatives in the form of major industrial, fiscal and trade liberalisation have led to revised perceptions about the role and structure of several organisations, including the Bureau of Industrial Costs and Prices (BICP). In the Budget speech of July, 1991, it was, inter-alia, proposed to restructure the BICP and to convert it into a Tariff Commission with a view to evolving a more transparent institutional mechanism for fixing tariffs and domestic prices in sectors where there may still be need for protecting Indian industry against foreign competition and for determination of administered prices, particularly in the area of public utilities. The proposed restructuring has linkages with dynamic and multidimensional issues like tariff reforms, dumping etc. Govt. have not taken any final decision in this regard.